

Salon Name:

CAN-RAD BEAUTY LIMITED is committed to the professional salon industry, selling high quality lines of hair and skin care products designed and intended to be sold only in professional salons, spas, barber shops and schools where a cosmetologist, hairstylist and barber is available to perform hair services.

As a distributor, *CAN-RAD BEAUTY LIMITED* is contractually obligated to our manufacturers to sell professional hair and skin care products* only to professional salons, spas, barber shops or schools for the use in those salons, spas, barber shops, schools or for resale to legitimate salons, spas, barber shops and schools. Hereinafter "SALON" shall include professional salons, spas, barber shops and schools.

The undersigned SALON wishes to purchase professional hair and skin care products* from *Can-Rad Beauty Limited* and *Can-Rad Beauty Limited* is willing to sell professional hair and skin care products* provided the SALON agrees to the terms and conditions set forth herein.

Salon agree as follows:

1. SALON warrants that one or more licensed cosmetologists, hairstylists and/or barbers are available to perform hair services 100% of the time professional hair and skin care products* are available for use or sale in the SALON. The SALON is licensed by the appropriate provincial agency, is advertised and listed as a SALON, has prominent signage promoting SALON services, with a telephone line for SALON customers to call for services and a reasonable SALON client service area. The SALON must intend to be and conduct its business as a true professional SALON, actively promoting and advertising its SALON business. The customer must have the perception that they have purchased their professional hair and skin care products* in and through a Professional SALON. All professional hair and skin care products* must be purchased within the walls of the SALON.
2. Under no circumstance shall professional hair and skin care products* be sold by SALON through the mail, by telephone, or telemarketing, catalogue, facsimile orders, over the Internet, e-mail, mail order or any other electronic order means.
3. SALON agrees that nothing in the relationship between manufacturers of professional hair and skin care products*, *Can-Rad Beauty Limited*, *Can-Rad's* employees, or SALON shall be deemed to create an employment, agency, franchise or other relationship other than the supply and purchase of goods destined for use solely by the SALON or its clients.
4. SALON, including its owners, operators and employees, agrees that all professional hair and skin care products* will be used in the SALON or sold only to legitimate SALON clients for personal use at home. SALON will not sell products to any person it knows or has reason to suspect intend to resell or divert any professional hair and skin care products*.
5. SALON will not remove, obliterate or tamper with the batch codes or security codes applied to professional hair and skin care products* either by the manufacturers or *Can-Rad Beauty Limited*. SALON will not allow anyone else to remove, obliterate or tamper with said codes. These codes are essential to preserve the quality and integrity of professional hair and skin care products*, including the recall or removal of products in the best interest of the consumer.
6. SALON acknowledges that the sale of professional hair and skin care products* to anyone other than the intended user or consumer, known as the diversion of professional hair and skin care products* seriously damages the reputation and good will established by manufacturers of professional hair and skin care products* and *Can-Rad Beauty Limited* and interferes with business relationship with other SALON customers as well as the consumer. The parties agree that one or more unauthorized sales or distribution of professional hair and skin care products* will result in damages to manufacturers not easily determined or calculated. Therefore, SALON agrees that manufacturers of professional hair and skin care products* or *Can-Rad Beauty Limited* shall be entitled to an injunction and liquidated damages of at least \$25,000.00 plus all profits and costs of recovering such diverted product, as well as reasonable attorney fees and costs incurred, against SALON for any professional hair and skin care products* sold to SALON, which are resold by SALON in violation of this Agreement.
7. SALON will take all necessary steps to insure that all of its employees are aware of and comply with all of the terms and conditions of this Agreement.
8. This Agreement is for the benefit of manufacturers of professional hair and skin care products*, *Can-Rad Beauty Limited*, and SALON, and any one of them may bring an action to enforce the provision of this Agreement. Manufacturers of professional hair and skin care products*, *Can-Rad Beauty Limited*, or the SALON may terminate this Agreement immediately upon notice. However, any products previously purchased must be sold only in compliance with this Agreement.
9. This Agreement constitutes the entire agreement of the parties relative to its subject matter. No party has made any representation or warranty to any other to induce them to enter into or perform this Agreement. This Agreement supersedes any prior written agreement between the parties and may only be modified or amended by a writing signed by all of the parties.

* These products include, but are not limited to the following brands: John Paul Mitchell Systems, Nexxus Products, Farouk Systems, OPI & Moroccanoil.